NO. 137, ORIGINAL

IN THE SUPREME COURT OF THE UNITED STATES

STATE	OF	MONTANA,)			
		Plaintiff,)			
	7	JS.)	No.	220137	ORG
STATE	OF	WYOMING and)			
STATE	OF	NORTH DAKOTA,)			
		Defendants.)			
)			

TRANSCRIPT OF TELEPHONIC PROCEEDINGS

STATUS CONFERENCE

November 28, 2011

Reported by: Antonia Sueoka, RPR, CSR No. 9007

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20	TELEPHONIC STATUS HEARING,
21	reported at Kramm Court Reporting, San Diego, California
22	92101, commencing on Monday, November 28, 2011, at
23	8:33 a.m. before Antonia Sueoka, Certified Shorthand
24	Reporter, CSR No. 9007, RPR, in and for the state of
25	California,

1	MONDAY, NOVEMBER 28, 2011, 8:33 A.M.
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3	SPECIAL MASTER THOMPSON: So why don't we, then,
4	go on the record and start by identification of counsel.
5	So counsel for Montana.
6	MR. DRAPER: Yes, Your Honor. Good Morning.
7	This is John Draper. Jeff Wechsler is here with me in
8	Santa Fe, and we also have Jennifer Anders in Helena.
9	SPECIAL MASTER THOMPSON: Thank you.
10	Counsel for Wyoming.
11	MR. MICHAEL: Your Honor, this is Peter Michael.
12	There are four of us here. Besides me, David Willms, Jay
13	Jerde, and Andrew Kuhlmann.
14	SPECIAL MASTER THOMPSON: Okay. Thank you.
15	Anyone is counsel for North Dakota on the
16	line?
17	MS. VERLEGER: Jennifer Verlerger, and I'm all by
18	myself.
19	SPECIAL MASTER THOMPSON: Okay. You seem to do a
20	good job all by yourself.
21	MS. VERLEGER: Thank you.
22	SPECIAL MASTER THOMPSON: And is anyone on the
23	line for Northern Cheyenne?
24	MS. WHITEING: Yes, Your Honor. This is Jeanne
25	Whiteing for the Northern Chevenne Tribe

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- SPECIAL MASTER THOMPSON: Okay. Good morning,

 Ms. Whiteing.
- MS. WHITEING: Good morning.
- 4 | SPECIAL MASTER THOMPSON: Anadarko?
- 5 MR. WIGMORE: Yes, Your Honor. This is Michael 6 Wigmore for Anadarko.
- SPECIAL MASTER THOMPSON: Okay. And then,

 finally, Mr. DuBois, you're on the line, I assume, for the

 United States.
- MR. DUBOIS: Yes, I am. Thank you, Your Honor.

 Good morning, Your Honor.
- 12 SPECIAL MASTER THOMPSON: And is there anyone who
 13 has not been identified who is on the line?
 - Okay. If not, then what I would propose in the way of an agenda this morning is that we can start out with the motions and hearings that were conducted just about two months ago now and the status and any follow-up on those; then we can move from there to the Document Production Order; from there to the Case Management Plan, which hopefully we can finalize, because I think we're almost there; and then finally, I'll just open it up to any other matters that the parties or Amici might want to raise at that point.
 - So is there anyone that would like to modify that agenda?

Okay. Then, if not, then let's start with Wyoming's motion for partial summary judgment and also the hearing on Montana's Article 5(b) claims.

I did receive the parties' suggested clarifications and modifications to the Memorandum Opinion that I issued in a draft form, and I thought that the parties' points were all valid ones. I have revised the Memorandum Opinion in light of those comments. And as soon as Susan Carter is back, we will circulate final versions of those opinions around to everyone.

Again, the bottom lines have not changed, but I have modified some of the language in light of the suggestions and comments of the two parties.

I also have taken a look at the resolution -- or the agreement as to a schedule for continuing and resolving Montana's motion for partial summary judgment. So this is what is set out as a schedule on Page 2 of the parties' letter of November 22, 2011, and all of those dates look fine to me.

Also, I agreed that given that the purpose of resolving that motion is so that the parties may not need to go to the same lengths and cost with respect to their expert reports, that it is important to provide some time between when that motion will be heard again and when the expert reports need to be disclosed. So I'm also fine

with the proposed dates for the disclosure of Montana and Wyoming's expert reports of Montana's rebuttal expert reports.

I would propose that -- just so that we have a date on the calendar -- and I realize that we might need to change this date because of any matters that come up, such as people's vacation time, but hopefully we can keep this -- I would propose that we have a hearing on Friday, August 3rd. So that's basically a week after Wyoming would file its reply in support of the renewed motion.

So does anyone see a problem with that date right now? If not, as I say, I would like to just set that as a tentative date so at least we have a date on the calendar.

MR. DRAPER: Your Honor, this is John Draper.

That Saturday I think we are thinking that we will have a reception for our daughter's wedding. Anyway, I just wanted to mention that as a possible problem for me personally, but ...

SPECIAL MASTER THOMPSON: Then -- number one, congratulations to you and your daughter.

MR. DRAPER: Thank you.

SPECIAL MASTER THOMPSON: Would it help if we held the motion earlier in the week?

MR. DRAPER: Yes. Staying away from either that Saturday or the Saturday before would be good. So if we

did it in the middle of the week, if we needed to do it at that time, that would be helpful.

SPECIAL MASTER THOMPSON: I'm just thinking that it would be useful again to have that hearing as soon as possible so that I can make a final ruling and both you and Wyoming can take that into account in your expert reports, so I prefer not to put it off for too long.

And so I'm just looking at my own calendar at the moment.

So if we did that on, say, Wednesday, August the 1st -- recognizing -- again, I realize that things can change between now and August of next year -- but does that look like it would be doable for people?

MR. MICHAEL: That's fine with Wyoming, Your Honor.

SPECIAL MASTER THOMPSON: Great.

Then what I will do is I will tentatively calendar the hearing for Wednesday, August the 1st, recognizing, again, that various things might come up that will make that a difficult day for one or another of the key counsel in the case. And my only request would be that counsel could let me know as soon as that appears to be a problem so that we can reschedule it.

And Mr. Draper, I thinking in particular, if I had an event like that, my wife would definitely want me

- 1 to check with her. So feel free to check with your wife.
- 2 And if she says no under no circumstances is that date
- 3 okay, let me know right away.
- 4 MR. DRAPER: Thank you very much, Your Honor.
- 5 | SPECIAL MASTER THOMPSON: Okay. And so I think,
- 6 as I say, that takes care of the status of the Memorandum
- 7 Opinion and also the continuation of Wyoming's motion for
- 8 partial summary judgment.
- 9 On the Article 5(b) claims, as we discussed
- 10 during the last status conference, obviously the
- 11 | Memorandum Opinion leaves open the right of Montana to
- 12 | file -- or to petition to amend its complaint, which
- 13 obviously is a right that Montana already -- always had.
- 14 And Mr. Draper, I was just wondering on if
- 15 | Montana has any thoughts on whether it is likely to file
- 16 | such petition.
- MR. DRAPER: Your Honor, this is John Draper.
- 18 | Montana has not made a decision about that at this time.
- 19 We're considering it, but we're not in a -- we simply have
- 20 | not made a decision yet.
- 21 | SPECIAL MASTER THOMPSON: Okay. That's fine. I
- 22 just, as I said, I just wanted to check to see whether or
- 23 | not you had made a tentative decision one way or the -- or
- 24 the other.
- 25 So those were the only things I wanted to address

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in connection to the follow-up to the hearings and the 1 Memorandum Opinion.

Is there any other subject in connection with those that we need to discussion this morning?

Then the next subject is the Document Production Order. And I have also reviewed the parties' joint letter with respect to this and was pleased to see that the parties had -- had reached an agreement.

And I guess I have only one question on this. This is something that I probably should have noticed earlier, but -- and just curious about.

In connection with the documents to be produced, I noticed that the production is with respect to -- well, documents that were written, developed, or created prior to February 1st, 2007, which I assume basically coincides with the dates that Montana filed its -- or -- yeah, filed its petition to speak to, then filed its complaint; is that correct?

MR. MICHAEL: Your Honor, this is Pete Michael. And that's right. And I know we discussed that -- Jeff Wechsler and I discussed that, and the idea there was, of course, to not have ongoing operations of the two states be subject to discovery or the case never -- discovery never closes, in a sense, to have a clear end date on when we have to seek documents.

1 SPECIAL MASTER THOMPSON: Okay.

MR. WECHSLER: Your Honor, this is Jeff Wechsler, and I would concur with the statement that Mr. Michael made, but I would also point out that we -- both states have reserved the right amongst ourselves to ask for documents that we believe are relevant after that date.

SPECIAL MASTER THOMPSON: Okay. That's helpful.

And so both Montana and Wyoming are fine with using that date, but I gather that Montana is not in the process precluding asking for damages for dates after February 1?

MR. DRAPER: That would be correct, Your Honor.

SPECIAL MASTER THOMPSON: That was, as I say, the only question that -- that I had. And I think I have one change of changing of "the" in the document to an "an," but otherwise I will go ahead and approve the joint proposed Document Production Order and issue that, again, as soon as Susan Carter is back later this week.

Okay. So anything else with respect to the Document Production Order?

Okay. So then we come to the Case Management

Plan. So this is the draft that I have circulated on

September 28th of this year. And there are three things I wanted to do with respect to this document.

The first one is to talk in a little bit more

detail about the dates that are currently in this document. The second thing is to then address the letter from Mr. Wigmore regarding his concerns on behalf of Anadarko Petroleum Corporation, and then third just to see if there's any other issues that anyone wants to raise with respect to that proposed Case Management Plan.

So as I said, the first thing I want to do is just talk about dates. So looking at Appendix A, if you have the draft Case Management Plan in front of you, this is the appendix which lists discovery dates and deadlines.

The very first date that was in the proposed plan was for initial disclosures and also the date when written discovery could begin and depositions could be noticed.

It was originally set for December 2nd, 2011, but recognizing both the delay that was necessitated by the two hearings and also to allow Mr. Draper some quality time to, well, recover from his surgery and the recognition the holidays are coming up, as I mentioned in the last Case Management Order, what I'm going to do is to delay that to January 16, 2012.

Then we have the disclosures of the expert reports and the rebuttal expert reports. Those will be modified as suggested by counsel for the States. So now they will be October 19th, 2012, November 16th, 2012, and December 7th, 2012. That delays everything by,

1 | effectively, two months.

So I would also, then, propose changing the last day for propounding written discovery to December 21st, 2012, and then the last day for depositions would be delayed to January 25th, 2013.

And then the one date that is included in the Case Management Plan that is not on this list is the last day for motions, which is provided in Paragraph 9, which is on Page 17. So this is -- the paragraph says: "Unless otherwise ordered by the Special Master ...," then going on, "Motions may be filed at any time up to and until March 15, 2000" -- I'm sorry, right now January 18th, 2013, and I would propose we change that to March 15, 2013.

So basically, I'm taking the suggestion of the parties that we move the disclosures back two months and basically moving everything else back by approximately the same length of time.

So any thoughts on those dates?

Okay. Then the next thing is the letter from Mr. Wigmore regarding the Case Management Plan and how it deals with Amici in connection with discovery.

And as I understand your letter, Mr. Wigmore, there's really, I guess, a total of four different issues raised in the letter, although obviously some of these

1 overlap.

The first is that you would like to see the Case
Management Plan provide that where an Amicus has a
representative of itself being deposed, that it have the
right to examine the deponent.

The second issue is that you would like to make it clear that to the degree that there is a discovery dispute, that the same approach for remedying those discovery disputes would apply to Amici as it does right now to the States.

The third point, which is similar, is that the provisions with respect to the length of a deposition should be the same whether or not the deponent is a representative of one of the States or of one of the Amici.

And then the final point is that to the degree that the Case Management Plan buries the deadline that would otherwise apply under the Federal Rules of Civil Procedure for responding or objecting to, well, discovery, that those deadlines should apply across the board and not simply to the States.

Is that correct? And do you have anything else you wanted to add to the letter?

MR. WIGMORE: No, Your Honor, that's essentially it. I mean, I don't believe that we specifically raised

- 1 | the issue relating to length of the depositions, only
- 2 that -- you know, because the order will change the
- 3 | Federal Rules of Civil Procedure in some ways, that to the
- 4 | extent there are remedies that are available with the
- 5 | Special Master, that those should be available to Amici as
- 6 | well if Amici are served with the discovery.
- 7 | SPECIAL MASTER THOMPSON: Right. I'm sorry, I
- 8 misspoke.
- 9 So counsel for any of the parties, any response
- 10 to or thoughts about Mr. Wigmore's points?
- MR. DRAPER: Your Honor, this is John Draper.
- 12 | We've looked over Mr. Wigmore's letter, and we don't have
- 13 any objection to his proposed changes.
- 14 SPECIAL MASTER THOMPSON: Okay.
- MR. MICHAEL: Your Honor, Pete Michael. None
- 16 | from Wyoming either.
- 17 MS. VERLEGER: None from North Dakota.
- 18 | SPECIAL MASTER THOMPSON: Thank you.
- 19 I guess my only question then is that
- 20 Mr. Wigmore's suggested modifications all deal with the
- 21 | Amici. And one of my questions is whether or not any of
- 22 the proposed changes that Mr. Wigmore suggests should be
- 23 more generally applicable to anyone rather than simply
- 24 Amici.
- 25 And I'm just thinking, for example, to the degree

that you -- you know, that either Montana or Wyoming were to decide to -- or try to depose somebody other than a representative of Anadarko, maybe it's a representative of another petroleum company working in the area, and they had a dispute with respect to -- well, the discovery, could it be made clear in the Case Management Plan that resolution of those disputes would be handled as provided in the Case Management Plan no manner who is representing the deponent.

I know that's a new point. I don't know whether you have any thoughts on that, but it was the only question I had when I was reading this.

MR. DRAPER: Your Honor, this is John Draper. My initial reaction is very positive, that -- to the extent that there is, say, a deposition of a representative of a third party who is not an Amicus, that providing, say, protections that Mr. Wigmore has suggested here would be appropriate.

SPECIAL MASTER THOMPSON: Mr. Michael, any thoughts?

MR. MICHAEL: I guess the -- well, what I haven't thought of too much is what kind of rights a -- an attorney for a third party. Let's say we're deposing an irrigation district officer that's not a representative of Montana, and what kind of -- how much -- how much activity

could an attorney for that irrigation district engage in,
how much could they be raising objections.

That's the one that is just jumping into my mind.

I don't have a -- I don't know what the solution is to

that one necessarily, but it's what I'm thinking about

that may be a little different.

SPECIAL MASTER THOMPSON: Yeah. I mean, my thought on this was really to go to the paragraphs on the second page of Mr. Wigmore's letter. So these are the ones that relate to, number one, how discovery disputes are resolved.

Second of all, to the degree that somebody considers that the amount of time for a proposed deposition is unreasonable, how it is to be resolved.

And then I think, finally, the question of what the period of time is to respond to -- well, to written discovery. And the question is whether or not we either -- I guess there's three -- three possibilities.

One is that in trying to address those things, if you are not an Amicus or party, then you're back in the Federal Rules of Civil Procedure, which seems a little bit odd to have two tracks, but I'm perfectly willing to consider that. The second is that we just don't address it, which I think is probably bad policy. The third is that we just decide that these procedures that we set out

are the procedures for the proceeding as a whole and aren't just applicable to the parties themselves.

MR. MICHAEL: Well, Your Honor, this is Pete
Michael again. I think I -- on those issues I favor
uniformity, and I favor having -- not having to run to
separate Federal Courts and explain the whole situation
when we have a discovery problem. I'd much prefer to have
it centralized with you.

SPECIAL MASTER THOMPSON: Yep. So I would propose that on those three -- I will take a look through it to make sure that we're not causing any problems, but what I would propose is that those alternative deadlines and processes apply to all individuals or organizations that are subject to discovery in this phase.

And what I will do is make those modifications, and then I will circulate this, again, as soon as Susan Carter is back later this week in draft form to everyone. And if you have any concerns when you see the draft language -- and what I will do is I will circulate it both with the changes clearly indicated and also a copy where those changes have just been incorporated. So I will circulate both forms so it's easy for you to determine where the changes have been made. But, again, if anyone has any concerns about those, then you'll have the right to let me know, and I'll take that into account. So I'm

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- not asking you to commit at this point, but I think it makes more sense.
- So, Mr. Draper, in that regard, when do you go in for your shoulder surgery?
- 5 MR. DRAPER: Tomorrow morning, Your Honor.
- SPECIAL MASTER THOMPSON: Okay. So with the
 recognition that the dates will not change, that I -
 dates that I outlined a moment ago will not change, but
 that you'll probably want to have an opportunity to just
 take a look at the other changes and make sure you're fine
 with them before I finalize the plan.
 - Is there a date that I could set, say, I'm thinking maybe two weeks from Friday, by which everyone could let me know if they have any concerns with the proposed language and I'll then finalize it? Would that be workable for you?
- MR. DRAPER: Your Honor, yes, it would be. Thank you.
- 19 SPECIAL MASTER THOMPSON: Okay. That's what I
 20 will do.
- Okay. Anything else with respect to the draft
 Case Management Plan?
- 23 If not, that takes me through the specific agenda 24 items which I had. So are there any other items that the 25 parties want to raise, that anyone on the call wants to

1 raise?

Okay. So the other thing that is provided in the draft Case Management Plan -- just looking for the provision right now, okay -- is that once a -- once a month that each party will file a progress report with me and that I will then schedule and hold status conferences as I deem necessary.

So my proposal there, again, just to make it clear, is that we will not have during this discovery period regular status conferences, but instead what I'm asking is that each of the parties on a monthly basis submit a progress report to me. If it appears that it would be useful to have a status conference, I'll schedule one. And so if one of the parties wishes to have a status conference, they should go ahead and state that in that monthly progress report. Hopefully, that will save time, and we won't have to be on the phone on a monthly basis even when we don't have anything to talk about.

Okay. So with that in mind, then I will let you all go back to your other work. And I'll look forward to speaking to you all again probably sometime in 2012 either as the renewed motion of Montana or at a status conference for the hearing of any other motions that the parties decide to raise in the meantime.

And I hope that you all have a great holiday

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     season. Mr. Draper, I hope your operation goes well and
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     that you recover very quickly.
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              MR. DRAPER: Thank you very much.
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              And I'm sure we all -- everybody joins me in
     wishing you a good holiday season in the meantime.
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              SPECIAL MASTER THOMPSON: Okay. Thank you very
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     much all.
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               (End of proceedings at 9:04 A.M.)
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1	STATE OF CALIFORNIA)
2) ss COUNTY OF SAN DIEGO)
3	,
4	I, ANTONIA SUEOKA, Certified Shorthand Reporter
5	No. 9007, State of California, do hereby certify:
6	That said proceedings were taken at the time and
7	place therein named and were reported by me in shorthand
8	and transcribed by means of computer-aided transcription,
9	and that the foregoing pages are a full, complete, and
10	true record of said proceedings.
11	And I further certify that I am a disinterested
12	person and am in no way interested in the outcome of said
13	action, or connected with or related to any of the parties
14	in said action, or to their respective counsel.
15	The dismantling, unsealing, or unbinding of the
16	original transcript will render the reporter's certificate
17	null and void.
18	IN WITNESS WHEREOF, I have hereunto set my hand
19	this 8th day of December, 2011.
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22	
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25	Antonia Sueoka, RPR, CSR NO. 9007